

General Fund Expenditure Limitation Senate File 66

Last Action:

House Appropriations

February 26, 2001

AN ACT relating to State General Fund expenditure limitation requirements for transmission of the State budget by the Governor and passage of the State budget by the General Assembly.



LEGISLATIVE FISCAL BUREAU

NOTES ON BILLS AND AMENDMENTS (NOBA)

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**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 66
GENERAL FUND EXPENDITURE LIMITATION**

CHANGES TO THE CODE OF IOWA

- Clarifies that reversions may not be used by the Governor or the General Assembly when determining compliance with the expenditure limitation statute. (Page 1, Line 1)

Senate File 66

Senate File 66 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	1	1	Amends	Section 8.54(7 & 8)	Use of Reversions for Expenditure Limitation

1 1 Section 1. Section 8.54, subsections 7 and 8, Code 2001,
1 2 are amended by striking the subsections and inserting in lieu
1 3 thereof the following:
1 4 7. The governor shall transmit to the general assembly, in
1 5 accordance with section 8.21, a budget which does not exceed
1 6 the state general fund expenditure limitation. The general
1 7 assembly shall pass a budget which does not exceed the state
1 8 general fund expenditure limitation. The governor shall not
1 9 transmit a budget with recommended appropriations in excess of
1 10 the state general fund expenditure limitation and the general
1 11 assembly shall not pass a budget with appropriations in excess
1 12 of the state general fund expenditure limitation. In
1 13 complying with the requirements of this subsection, the
1 14 governor and the general assembly shall not rely on any
1 15 anticipated reversion of appropriations in order to meet the
1 16 state general fund expenditure limitation.

CODE: Clarifies that reversions may not be used by the Governor or the General Assembly when determining budget compliance with the expenditure limitation statute.

1 17 EXPLANATION

1 18 This bill amends Code section 8.54, relating to the budget
1 19 transmission and passage provision of the state general fund
1 20 expenditure limitation.
1 21 The bill strikes and rewrites two subsections. In doing
1 22 so, the bill eliminates a requirement that the governor in
1 23 submitting a budget under Code section 8.21, and the general
1 24 assembly in passing a budget, not have recurring expenditures
1 25 in excess of recurring revenues. Rather the bill requires
1 26 that the budgets transmitted by the governor and passed by the
1 27 general assembly do not exceed the state general fund
1 28 expenditure limitation.
1 29 The bill also prohibits the governor from transmitting a
1 30 budget with recommended appropriations in excess of the state
1 31 general fund expenditure limitation and the general assembly
1 32 from passing a budget with appropriations in excess of the
1 33 limitation. The bill provides, in applying the expenditure
1 34 limitation requirements, that the governor and the general
1 35 assembly shall not rely on any anticipated reversion of

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Senate File 66

Explanation

2 1 appropriations in order to meet the expenditure limitation.

2 2 LSB 1510SV 79

2 3 jp/pj/5